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UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK

U2 HOME ENTERTAINMENT, INC.

Plaintiff,

VΒ.

YUE FUNG USA ENTERPRISES, INC., YUK CHIU CHAN, MELODY ELITE ENTERPRISES, INC. AND XHI MING LU Defendants.

PERMANENT INJUNCTION AND FINAL JUDGMENT PURSUANT TO STIPULATION

The Court, having been informed that this case has been settled by an agreement which has been duly executed by U2 Home Entertainment, Inc., ("Plaintiff") and Melody Elite Enterprises, Inc. and Khi Ming Lu ("Settling Defendants") in the within action and good cause appearing therefore, hereby ORDERS that final judgment shall be and is hereby entered in the within action as follows:

- 1. Settling Defendants together with their agents, employees, and those acting in concert with it who have actual knowledge of this Judgment, are hereby permanently enjoined and restrained from doing any of the following:
- (a) Infringing Plaintiff's exclusive rights under copyright in the motion pictures duly copyrighted by Plaintiffs or in which Plaintiffs own exclusive distribution rights (hereinafter referred to as "Plaintiff's Motion Pictures");

- (b) Manufacturing, copying, duplicating, or knowingly selling, renting, distributing, performing or otherwise disposing of any unauthorized videocassette or videodisc copies of the Plaintiff's Motion Pictures; and
- (c) Using the titles of Plaintiff's Motion Pictures, or trademarks, or the trade names or logos of Plaintiff, on or in connection with videocassettes or videodiscs known by Detendants to be unauthorized in a manner which is likely to cause confusion as to source, or otherwise likely to cause confusion, mistake or deception in connection with the distribution, advertising, promotion, sale rental, and other lawful exploitation of authorized videocassettes, videodiscs or other copies of the Plaintiff's Motion Pictures.
- 2. All videodiscs and any other items seized from
  Defendants by the United States Marshals on October 2, 2007
  pursuant to the Order of Seizure in the within action and which
  are presently under impound with counsel of record for Plaintiff
  are forfeited to Plaintiff and may be disposed of by Plaintiff as
  it deems appropriate.
- 3. The caption is hereby amended to name Melody Elite Enterprises, Inc. and Xhi Ming Lu as defendants in this action.
- 4. The undertaking in the amount of Ten Thousand Dollars (\$10,000.00) filed by Plaintiff in connection with the Order of Seizure is ordered exonerated and discharged, and the surety of said undertaking shall have no further liability in connection

therewith whatsoever.

- 5. All other claims and requests for relief in this action are hereby dismissed with prejudice.
- 6. Each side shall bear its own costs of suit incurred in the within action.
- 7. The Court shall retain jurisdiction of the within action to entertain such further proceedings and to enter such further orders as may be necessary or appropriate to implement and/or enforce the provisions of this final judgment.

Dated: Nov. 15, 2007

s/Hon. Nicholas G. Garaufis

NICHOLAS G. GARAUTIS United States District Judge